

**ALLIS-CHALMERS ENERGY INC.**  
**Finance Committee Charter**

**Purpose**

The purpose of the Finance Committee (the “Committee”) is to assist the Board in making determinations with respect to certain of the Company’s material financial matters as set forth below. The Committee shall not have oversight or other responsibility with respect to the Company’s financial reporting, which shall remain the responsibility of the Audit Committee of the Board of Directors.

**Committee Membership and Organization**

The Committee shall consist of five members, two of whom shall be Investor Directors (as defined in that certain Investment Agreement, dated May 20, 2009 (the “Investment Agreement”), by and between the Company and Lime Rock Partners V, L.P. (the “Investor”)) so long as the Investor is entitled, pursuant to Section 8.2(a) of the Investment Agreement, to nominate two or more directors for election to the Board, and one of whom shall be an Investor Director if the Investor is entitled, pursuant to Section 8.2(a) of the Investment Agreement, to nominate only one director for election to the Board. The remaining members of the Committee shall be selected by the Non-Investor Directors (as defined in the Investment Agreement) from among the Non-Investor Directors. The Chairperson of the Committee, who shall preside over meetings, will be designated by the Committee and shall be a Non-Investor Director.

**Meetings**

The Committee shall meet from time to time as appropriate in the discharge of its duties, provided it must meet at least once each fiscal year.

**Responsibilities and Duties**

The Committee shall review and consider, and make non-binding recommendations to the Board with respect to, the following:

1. Acquisitions of assets or voting securities for consideration in excess of \$20,000,000 (in a single transaction or series of related transactions);
2. Acquisition Transactions (as defined in the Investment Agreement), or mergers or change of control transactions between any subsidiary of the Company and any third party involving consideration in excess of \$10,000,000;
3. The offer or sale of voting equity securities of the Company or any material subsidiary of the Company for cash in excess of \$20,000,000 (in a single transaction or series of related transactions), other than issuances of securities upon conversion of convertible securities then outstanding or pursuant to option or other incentive compensation plans; and
4. Material capital expenditures in excess of the Company’s capital expenditure budget.

The Committee shall also carry out such other duties as may be delegated to it by the Board from time to time.

### **Committee Authority**

The Committee shall have authority to obtain advice and assistance from internal or external legal, accounting, financial or other advisors.

### **Amendments to Charter**

The Committee shall review this charter annually and update or amend it as necessary, *provided* that for so long as at least one Investor Director is a member of the Committee, the Committee shall not amend this charter unless at least one Investor Director approves such amendment.